



0000154614

ORIGINAL

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

Arizona Corporation Commission

2014 JUL 10 PM 2 15

BOB STUMP – Chairman
GARY PIERCE
BRENDA BURNS
BOB BURNS
SUSAN BITTER SMITH

DOCKETED

JUL 10 2014

DOCKETED BY

IN THE MATTER OF THE
APPLICATION OF ARIZONA PUBLIC
SERVICE COMPANY FOR APPROVAL
OF ITS 2014 DEMAND SIDE
MANAGEMENT IMPLEMENTATION
PLAN.

DOCKET NO. E-01345A-13-0109

**NOTICE OF FILING
CORRESPONDENCE AND
ATTACHMENTS RELATING TO
FREEPORT-MCMORAN COPPER &
GOLD INC.'S REQUEST FOR AN
EXEMPTION FROM THE ARIZONA
CORPORATION COMMISSION
ENERGY EFFICIENCY RULES**

Freeport-McMoRan Copper & Gold Inc. ("Freeport-McMoRan" or "Company") hereby submits the letter dated July 8, 2014 from Mr. Michael McElrath, Director of Energy Services for Freeport-McMoRan addressed to Ms. Julie McNeely-Kirwan, Public Utilities Analyst for the Arizona Corporation Commission and the Attachments to Tables 1 and 2 referenced in the letter which relate to Freeport-McMoRan's Request for an Exemption from A.A.C. R14-2-2401, et seq.

RESPECTFULLY SUBMITTED this 10th day of July, 2014.

FENNEMORE CRAIG, P.C.

By

C. Webb Crockett

Patrick J. Black

Attorneys for Freeport-McMoRan Copper
& Gold Inc. and Arizonans for Electric
Choice and Competition

1 **ORIGINAL** and 13 copies filed
2 this 10th day of July, 2014 with:

3 Docket Control
4 Arizona Corporation Commission
5 1200 West Washington Street
6 Phoenix, Arizona 85007

7 **COPY** of the foregoing hand-delivered/mailed/emailed
8 this 10th day of July, 2014 to:

9 Bob Stump, Chairman
10 Arizona Corporation Commission
11 1200 West Washington
12 Phoenix, Arizona 85007

Trisha Morgan, Aide
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

13 Gary Pierce, Commissioner
14 Arizona Corporation Commission
15 1200 West Washington
16 Phoenix, Arizona 85007

Eric Van Epps
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

17 Brenda Burns, Commissioner
18 Arizona Corporation Commission
19 1200 West Washington
20 Phoenix, Arizona 85007

Kelly Aceto
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

21 Bob Burns, Commissioner
22 Arizona Corporation Commission
23 1200 West Washington
24 Phoenix, Arizona 85007

Jessica Perry
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

25 Susan Bitter Smith, Commissioner
26 Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

Teresa Tenbrink
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007


Lyn Farmer
Chief Administrative Law Judge
Hearing Division
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

Steve Olea, Director
Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

Janice Alward
Chief Counsel Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Melissa M. Krueger
Thomas Loquvam
Pinnacle West Capital Corporation
400 North 5th Street, MS 8695
Phoenix, Arizona 85004
Melissa.Krueger@pinnaclewest.com
Thomas.Loquvam@pinnaclewest.com

By: 
9315394/023040.0041

ATTACHMENT 1

**Letter dated July 8, 2014 to Ms. Julie McNeely-Kirwan
from Mr. Michael McElrath (Freeport-McMoRan)**



Phoenix Corporate Office
333 N. Central Ave.
Phoenix, AZ 85004

Michael McElrath
Director Energy Services
Telephone: 602-366-8361
e-mail: michael_mcelrath@fmi.com

July 8, 2014

Ms. Julie McNeely-Kirwan
Public Utilities Analyst
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Re: Freeport-McMoRan ("FCX") Energy Efficiency Exemption Request

Dear Ms. McNeely-Kirwan:

Thank you for your patience while we gathered the material to respond to your inquiries. While your requests are simple enough, our responses are complex as most mining related projects we undertake glean a higher percentage of copper recovery from each ton of ore. This increases energy efficiency per pound of copper produced. As a commodity producer, the market sets our sales price, we only control our costs of production and are thus motivated to keep our costs as low as possible.

Below are your questions and our responses:

- How many location accounts above 25MW are there in the area served by APS?
Please indicate both the location account number and the rate schedule.
 - One account over 25 MW located at Bagdad, AZ, our Bagdad Mine, Account No. 705867280, E-35 rate schedule
- How many location account above 25MW are there in the area served by TEP?
Please indicate both the location account number and the rate schedule.
 - One account over 25 MW located near Green Valley, AZ, our Sierrita Mine, Account No. 0232600092, LLP90 rate schedule
- Please list the significant energy efficiency measures installed by the Company in Arizona over the last two years. List the level and type of savings, the cost, and the utility service area in which the measure was installed.

- The APS and TEP tables below detail the projects submitted under the utility self-direction programs. The related utility worksheets are attached for each project.

Table 1 - APS/Bagdad: Specific Utility Related Energy Efficiency Projects							
Utility	FCX Location	Year	Project	Total Project \$	Savings Type	Annual kWh Saved	Rebate \$
APS	Bagdad	2012	Mine Shovel Retrofit	\$107,000	Lighting	173,000	\$107,000
APS	Bagdad	2013	FMI Floatation LED Lighting Costs	\$168,000	Lighting	94,000	\$72,000

Table 2 - TEP/Sierrita: Specific Utility Related Energy Efficiency Projects									
Utility	FCX Location	Year	Project	Total Project \$	Savings Type	Annual kWh Saved	Rebate \$	Application *	Custom Incentive Worksheet
TEP	Sierrita	2012	Building Lighting Improvements - Mine Truck Shop	\$21,500	Lighting	115,600	\$9,400	Pending	Pending
TEP	Sierrita	2013	Mill Concentrator Floatation Cells	\$56,300,000	Operating Efficiency	5,900,329	\$590,032.90	*	Yes
TEP	Sierrita	2013	Crusher Upgrades – Dust Collectors	\$16,000,000	Operating Efficiency	14,695,776	\$1,497,759.81	*	Yes
TEP	Sierrita	2013	A-3, B-3 and B-4 Drive Upgrade (Overland Conveyor Upgrade)	\$830,880	Operating Efficiency	1,286,976	\$128,697	Yes	Yes

* - FCX was unable to locate the Applications for the Mill Concentrator and the Conveyor Upgrade. However, FCX has received the rebates.

- While not project specific, the table below details the motors we have installed by location and utility since 2012.

All the high efficiency motors referenced in the chart to the right for APS Bagdad and TEP Sierrita have not been included in rebate requests from the utility as documentation requirements are too burdensome.

The Morenci and Safford mines are served by Morenci Water & Electric, which has no ACC mandated energy efficiency program.

Horsepower Summary						
Sum of HP		Year				
State	Plant Name	2012	2013	as of Apr '14	Grand Total	
Arizona	APS - Bagdad	1,473	4,087	441	6,001	
	MW&E - Morenci	53,971	31,165	14,508	99,643	
	MW&E - Safford	3,128	3,545	1,058	7,730	
	TEP - Sierrita	22,507	18,560	4,767	45,834	
Arizona Total		81,078	57,356	20,773	159,207	
Motor Cost Summary						
Sum of Amount Paid		Year				
State	Plant Name	2012	2013	as of Apr '14	Grand Total	
Arizona	APS - Bagdad	\$ 189,994	\$ 354,743	\$ 45,858	\$ 590,595	
	MW&E - Morenci	\$ 2,667,160	\$ 1,954,899	\$ 683,131	\$ 5,305,191	
	MW&E - Safford	\$ 210,245	\$ 144,426	\$ 22,900	\$ 377,571	
	TEP - Sierrita	\$ 1,351,345	\$ 1,274,358	\$ 482,025	\$ 3,107,728	
Arizona Total		\$ 4,418,744	\$ 3,728,426	\$ 1,233,915	\$ 9,381,085	

The following is a quote from FCX's US Motors' representative, Richard Beach, Sr. Territory Manager, Nidec Motor Company, manufacturer of the US Motors brand of electric motors, describing FCX's motor related purchases and how FCX meets or exceeds energy efficiency standards:

"FCX currently holds a motor supply agreement with US Motors. According to Federal guidelines enacted in 2010 and posted by NEMA (National Electrical Manufacturers Association), all Nema frame motors manufactured or imported into the United States will meet "Nema Premium" efficiency levels. These motors are generally up to 500hp and less than 600v. There are no standards for energy efficiency above Nema frames and/or Medium Voltage as motors above these thresholds are usually custom built. Generally, these larger than Nema frame motors are purchased to replace older motors that are not economic to rebuild. These motors are usually more efficient than their older counterparts for a number of reasons. Computer aided design allows us to optimize designs with higher standard efficiencies. We provide higher grade Silicon laminations, with more copper in the slots. Better higher efficiency bearings and more efficient air flow through the motor to have resulted in higher motor efficiencies. On the other side the old motor has been rewound many times and generally has worn out over time, including breakdown of insulation. This results in FCX is replacing an old inefficient motor with a higher efficient motor over time.

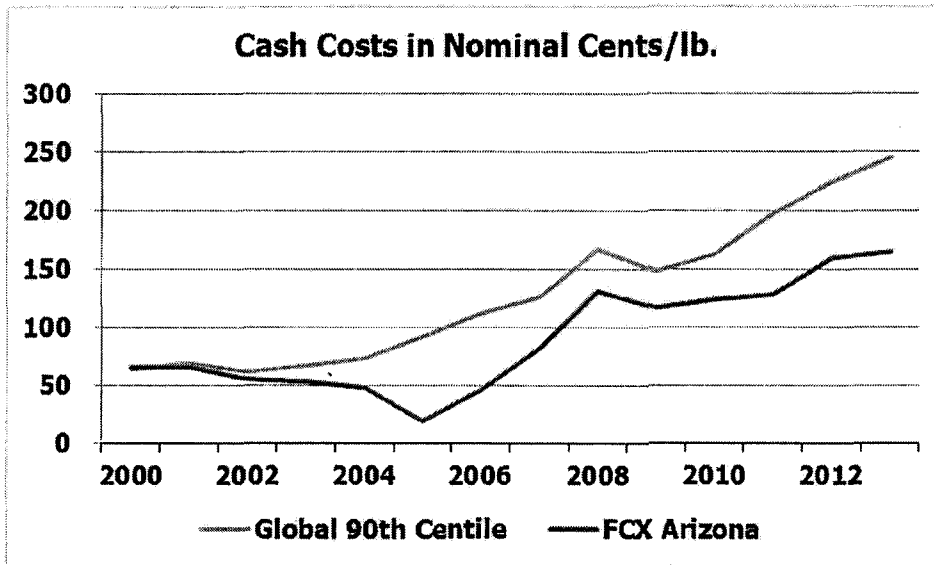
Note: The Energy Independence and Security Act of 2007 (EISA) went into effect on December 19, 2010. Certain motors "manufactured (alone or as a component of another piece of equipment)" were required to have nominal full load efficiencies defined in NEMA MG-1 (2006). Motors manufactured after December 19, 2010, were to comply with that law. NEMA MG 1-2011 is the current standard. Specifically, the new legislation restates the definition of General Purpose Electric Motors as defined in 10 CFR 431 from the Energy Policy and Conservation Act of 1992 (EPCA), classifies these motors as Subtype I, and also defines a new category of General Purpose Motors, Subtype II, as motors incorporating design elements of a general purpose motors (Subtype I). New regulations are pending for 2015."

- Provide the same information for any planned energy efficiency installations. Include, also, the anticipated completion date.

Table 3 – All Facility: Major Planned Energy Efficiency Projects							
Utility	FCX Location	Year	Project	Total Project \$	Savings Type	Annual kWh Saved	Rebate \$
APS	Bagdad	2014	Rougher Floatation Circuit Replacement	\$65,700,000	Electrical, Maintenance	TBD	TBD
MW&E	Morenci	2014	Morenci Mill Expansion	\$1.86Billion	New Installation	NA	NA

- In the application, Freeport-McMoRan states that it has "historically budgeted some \$10 million annually on energy-related technology." Is "energy-related technology" a synonym for "energy efficiency"? If not, what does the Company mean by this term?
 - FCX has patents and patent applications around technology that consumes less energy per pound of copper produced than the process it replaces. Mining is a composite of energy intensive processes to produce pure copper from copper ore. The historic \$10 million annual budget is spent seeking ways to more efficiently produce copper in the conduct of our mining processes.
- Is it correct to state that Freeport-McMoRan reported \$63.47 in total assets for 2013?
 - Yes, FCX reported \$63.473 billion in assets as of 12/31/2013.

- With respect to the first bullet, below, please indicate whether the installed measures are more efficient than the industry standard.
 - The chart below reflects the positive results of our efforts to become more efficient at FCX's Arizona mines compared to other mines in the world.



Source: WoodMackenzie Historical Data, Jun '14

As the WoodMackenzie graph above depicts our Arizona mines have been reducing the cost per pound of producing copper relative to other mines in the world. It is also important to note that our Arizona mines have a lower percentage of copper in the ore than the world wide average, so the fact that we still have a lower operating cost than average again demonstrates our focus on energy related technology has been effective.

From our responses to your inquiries it should be clear that FCX is not the average utility customer. Our Sierrita mine, for example, has over 14 square miles of distribution system behind the TEP meter. This 14 square mile distribution system is required to supply all the mine processes. Our processes do not require sub-metering at every load center to meter power consumed for the 6-7 necessary mining processes in producing copper, as we manage the resulting material flows (ore, crushed rock, water and/or solution, or tailings to name some). This is a factor in FCX not being able to claim utility rebates on all of our high efficiency motor rebates, or process improvements under the utility self-direction programs. FCX measures efficiency improvements under the industry standards of total cost per pound of copper produced. Electrical power is an important input to all these processes, but is not tracked individually at each load. Think of each of our mines as a car. When you change the headlights on a car to LED headlights, without additional investment or test equipment, it would be nearly impossible to accurately calculate the additional gas mileage the car gets because the alternator is not working as hard to supply the LED lights with power.

Metrics over a short time period is another factor in qualifying our process improvements for the utility. Each mine pit may be a mile deep and several miles long. The ore grade, ore type, and ore hardness is not the same throughout the pit. We have 5 or more shovels operating at various locations in the pit at all times, thus the ore being processed is not the same ore grade, ore type, or ore hardness day-to-day. It is not economic to have the 3rd party engineer review a long period of history and compare to an extended time period after we make a process change to quantify the kWh saved. Think of our various ore grades and ore types as the weather in Phoenix. On average our temperature is some 73 degrees, but hardly any given day is average. FCX makes process changes on the average ore grade and ore type. It takes a long time to prove saving given the daily fluctuations in the ore grade and ore type.

Please feel free to contact me if you require additional information or have questions on the material above.

Sincerely,

A handwritten signature in black ink that reads "Michael McElrath". The signature is written in a cursive, flowing style.

Michael McElrath

Direct phone: 602 366 8361

ATTACHMENT 2

Table 1

Custom Application Form Retrofit

APS Application #

Customer Information

Pre-Notification <input checked="" type="checkbox"/>		Final Application <input type="checkbox"/>	
Application Type	Submission Date: 06/25/12	Submission Date:	
Retrofit	Estimated Completion Date: 07/15/12	Project Completion Date:	
Name of Project	Bagdad Mine Shovel Lighting Upgrade to LED Lighting		Business Type (Click and select below)
Name of Organization	Freeport MCMoran Copper & Gold Inc.		Industrial
Federal Taxpayer ID Number	Tax Status (Select status at right) Corporation, Tax-Exempt, Other	Corporation (incl. Inc, PC, etc.)	
Name as it appears on your APS bill	Freeport MCMoran Copper & Gold Inc.	APS Account Number	512616284
Name of Contact Person at Organization	LeRoy Miera	Telephone #	928-633-3261
Title	Engineering Manager	Email Address	LeRoy_Miera@FMI.com
Paperless Notices	No, send notices to the customer and contractor(s) via US Postal service mail.		
Address where Measures Installed	FMI Bagdad Mine		
City, State, Zip (Measures Installed)	Bagdad, Az 86321		
Mailing Address	Same As Above	P.O. Box 245	
City, State, Zip (Mailing Address)	Bagdad, Az 86321		

K-12 School
College / University
Office
Retail
Restaurant
Hotel / Motel
Medical
Grocery
Warehouse
Industrial
Miscellaneous
Data Center

Is this a Government entity?

No

Contractor Information

	Contractor / Vendor (primary contact)	Associated Contractor / Vendor
Company Name	FMI Maintenance Staff	
Contact Person	LeRoy Miera	
Telephone #	928-633-3261	
Mailing Address City, State, Zip	PO Box 245, Bagdad, Az 86321	
Email Address	LeRoy_Miera@FMI.com	

☐ I would like to be considered for financing under the National Bank of Arizona financing option (please complete 3rd Party Payment page)

Est. Square Footage

N/A

Building Age
(Click and select below)

Pre-1970

Incentive Check Information

Issue Incentive Check to: (check only one)	<input checked="" type="checkbox"/> Send to Customer listed above.	<input type="checkbox"/> I request that the incentive check be issued to the third party indicated on the Third-Party Payment page.
---	--	---

Pre-1970
1970 - 1989
1990 - 2000
2001 - present

Please indicate below if your organization intends to file for tax incentives related to the measures in this application.

No

Please indicate below if your organization will receive grants (e.g. ARRA, state funds) related to the measures in this application.

No

Please complete the following section. By signing this agreement I attest that I understand and agree to abide by all program terms and conditions.

Customer Signature	\$107,311.53 Total Project Cost
Print Name	\$107,311.53 Total Incentive Requested
Date	

Please print out, sign, and return with Pre-Notification Application. For Final Applications, sign and submit after all equipment has been installed.

 solutions for business



Solutions
for Business

Self Direction Notification

Customer Information

Name on APS Account: Freeport McMoRan Bagdad Inc.,
APS Main Account #: 512616284
Billing Street Address: 100 Main St.
Billing City & ZIP: Bagdad AZ, 86321


Project Description

Upgrade to replace existing exterior mercury vapor lighting, exterior incandescent lighting and interior fluorescent lighting to LED lighting on P&H mining shovel #8 Serial #55275.
Upgrade to replace existing exterior mercury vapor lighting and exterior incandescent lighting on P&H mining shovel #10 Serial #4149, shovel #11 Serial #4166, shovel #21 Serial #55268 and shovel #22 Serial #54855. This is for 5 shovels.

Estimated Annual kWh Project Savings	172,781
Estimated Incremental Project Cost	\$107,311.53
Estimated Total Project Cost	\$107,311.53
Estimated Construction Start Date	January 2, 2012
Estimated Date of Operation	October 26, 2012

This form must meet the requirements of the Self Direction Terms & Conditions.

I agree to the Terms & Conditions associated with electing the Self Direction option of the APS Solutions for Business Demand Side Management (DSM) Program. Projects must be cost effective and meet the same requirements as APS Solutions for Business DSM projects.

	12-7-12
Signature	Date
Clinton D. Gray	Mine Electric Supervisor
Print Name	Job Title
928-633-3411	clinton_gray@fmi.com
Phone #	Email Address

Custom Application Form New Construction

APS Application #

Custom ☒ Information

New Construction ☐

Pre-Notification

Final Application

Application Type

Submission Date:

Industrial

Submission Date:

11/27/13

Estimated Completion Date:

Project Completion Date:

11/01/13

Name of Project

Bagdad Mine Flotation Cell Exterior LED Lighting

Business Type
(Click and select below)

Name of Organization

No. send notices to the customer and contractor(s) via US Postal service mail.

Freeport MCMoran Copper & Gold Inc.

Federal Taxpayer ID Number

Tax Status
(Select status at right)
Corporation, Tax-Exempt, Other

Name as it appears on your APS bill

Same As Above

Freeport MCMoran Copper & Gold Inc.

APS Account Number

512616284

Name of Contact Person at Organization

Thomas R. Knudsen

Telephone #

66-7488

Ext #

Title

Manager - Energy

Email Address

thomas_knudsen@fmi.com

Paperless Notices

Address where Measures Installed

FMI Bagdad Mine

City, State, Zip (Measures Installed)

Bagdad, Az 86321

Mailing Address

P.O. Box 245

City, State, Zip (Mail)

Bagdad, Az 86321

Is this a Government entity?

Contractor Information

Contractor / Vendor (primary contact)

Associated Contractor / Vendor

Company Name

Contact Person

Telephone #

Mailing Address City, State, Zip

Email Address

I would like to be considered for financing under the National Bank of Arizona financing option (please complete 3rd Party Payment page)

Est. Square Footage

N/A

Building Age
(Click and select below)

Incentive Check Information

Issue Incentive Check to:
(check only one)

Send to Customer listed above.

I request that the incentive check be issued to the third party indicated on the Third-Party Payment page.

Pre-1970
1970 - 1989
1990 - 2000
2001 - present

Please indicate below if your organization intends to file for tax incentives related to the measures in this application.

Please indicate below if your organization will receive grants (e.g. ARRA, state funds) related to the measures in this application.

Please complete the following section. By signing this agreement I attest that I understand and agree to abide by all program terms and conditions.

Customer Signature

\$168,418.00

Total Project Cost

Print Name

\$71,814.00

Total Incentive Requested

Date

Please print out, sign, and return with Pre-Notification Application. For Final Applications, sign and submit after all equipment has been installed.

aps solutions for business



Solutions
for Business

Self Direction Notification

Customer Information

Name on APS Account: Freeport-McMoRan Bagdad, Inc.
APS Main Account #: 512616284
Billing Street Address: 100 Main Street
Billing City & ZIP: Bagdad, AZ 86321

Project Description

Freeport has completed construction of a new mine processing facility (flotation cells) and elected to install LEDs in place of HID fixtures for the exterior lighting. The exterior lighting at this facility is subject to extreme operating conditions, such as very high vibration which can cause premature failure of filament-based lamps. This consideration resulted in elevated maintenance savings realized throughout the life of the LED fixtures. The incremental cost for the project is based on the difference between the total installed cost of the LED fixtures relative to the HID fixtures.

Estimated Annual kWh Project Savings	94,096
Estimated Incremental Project Cost	\$71,814.00
Estimated Total Project Cost	\$71,814.00
Estimated Construction Start Date	08/01/13
Estimated Date of Operation	11/01/13

This form must meet the requirements of the Self Direction Terms & Conditions.

I agree to the Terms & Conditions associated with electing the Self Direction option of the APS Solutions for Business Demand Side Management (DSM) Program. Projects must be cost effective and meet the same requirements as APS Solutions for Business DSM projects.

X
Signature _____ Date _____
Print Name _____ Job Title _____
Phone # _____ Email Address _____

ATTACHMENT 3

Table 2

NOTE: There are no applications available for the Mill Concentrator Flotation Cells and the Crusher Upgrades. The application for the building lighting improvements – mine truck shop are pending with TEP and unavailable.

Custom Incentive Worksheet

TEP Large Business Program

Please attach supporting documents as described in the specifications.

Item 1	Description	Rebate: \$0.10 /kWh			
Sierrita 's existing rougher flotation system, together with its electrical infrastructure, is near the end of its useful life. Routine maintenance is no longer sufficient to to preserve efficient operations. The mechanical and electrical control systems are technologically obsolete and inefficient. The main element of this project is replacement of the 439 existing rougher flotation cells with 20 large tank cells. The replacement flotation system requires much less maintenance, consumes substantially less electrical power and provides higher copper and molybdenum recovery	Annual kWh Savings	Rebate Subtotal			
	5,900,329	\$590,032.90			
	kW Savings				
	683.0				
	Annual Oper. Hrs				
	8,760				
Measure Cost					
	\$56,300,000.00				
Enter Operating Schedule and Days Closed Below					
Day of Week	Start Time	End Time	Total Hours		
Monday	12:00 AM	12:00 AM	24	0	Days Closed per Year
Tuesday	12:00 AM	12:00 AM	24	0.00	Weeks Closed per Year
Wednesday	12:00 AM	12:00 AM	24		
Thursday	12:00 AM	12:00 AM	24		Weeks/Year 52.14
Friday	12:00 AM	12:00 AM	24		Hours/Week 168.0
Saturday	12:00 AM	12:00 AM	24		Calculated Hours/Year 8,760.0
Sunday	12:00 AM	12:00 AM	24		

Item 2	Description	Rebate: \$0.10 /kWh			
	Annual kWh Savings	Rebate Subtotal			
	kW Savings				
	Annual Oper. Hrs				
	Measure Cost				
Enter Operating Schedule and Days Closed Below					
Day of Week	Start Time	End Time	Total Hours		
Monday			0		Days Closed per Year
Tuesday			0	0.00	Weeks Closed per Year
Wednesday			0		
Thursday			0		Weeks/Year 0.00
Friday			0		Hours/Week 0.0
Saturday			0		Calculated Hours/Year 0.0
Sunday			0		

Project Completion Date
October 30, 2012

Page 1 Custom Rebate SubTotal
Custom Rebate Total

\$590,032.90
\$590,032.90

Custom Incentive Worksheet

TEP Large Business Program

Please attach supporting documents as described in the specifications.

Item 1	Description	Rebate: \$0.10 /kWh																															
Sierrita current secondary and tertiary crushers are 37 years old and not longer supported by their manufacturer Allis Chalmers. Sierrita is requesting the purchase of 27 cartridge type dust collectors, nine CH880 Sandvick crushers and nine new 10 x 20 discharge screens for the Sierrita crushing facility. As a result of the environmental permitting, Sierrita cannot replace its hydrocone crushers without upgrading its dust collectors. This project is recommended for immediate funding and implementation to prevent lost production resulting from the lack of manufacturer support	Annual kWh Savings	14,695,776	\$1,469,577.60																														
	kW Savings	1,678.0																															
	Annual Oper. Hrs	8,760																															
	Measure Cost	\$16,000,000.00																															
	Enter Operating Schedule and Days Closed Below																																
	<table border="1"> <thead> <tr> <th>Day of Week</th> <th>Start Time</th> <th>End Time</th> <th>Total Hours</th> </tr> </thead> <tbody> <tr><td>Monday</td><td>12:00 AM</td><td>12:00 AM</td><td>24</td></tr> <tr><td>Tuesday</td><td>12:00 AM</td><td>12:00 AM</td><td>24</td></tr> <tr><td>Wednesday</td><td>12:00 AM</td><td>12:00 AM</td><td>24</td></tr> <tr><td>Thursday</td><td>12:00 AM</td><td>12:00 AM</td><td>24</td></tr> <tr><td>Friday</td><td>12:00 AM</td><td>12:00 AM</td><td>24</td></tr> <tr><td>Saturday</td><td>12:00 AM</td><td>12:00 AM</td><td>24</td></tr> <tr><td>Sunday</td><td>12:00 AM</td><td>12:00 AM</td><td>24</td></tr> </tbody> </table>			Day of Week	Start Time	End Time	Total Hours	Monday	12:00 AM	12:00 AM	24	Tuesday	12:00 AM	12:00 AM	24	Wednesday	12:00 AM	12:00 AM	24	Thursday	12:00 AM	12:00 AM	24	Friday	12:00 AM	12:00 AM	24	Saturday	12:00 AM	12:00 AM	24	Sunday	12:00 AM
Day of Week	Start Time	End Time	Total Hours																														
Monday	12:00 AM	12:00 AM	24																														
Tuesday	12:00 AM	12:00 AM	24																														
Wednesday	12:00 AM	12:00 AM	24																														
Thursday	12:00 AM	12:00 AM	24																														
Friday	12:00 AM	12:00 AM	24																														
Saturday	12:00 AM	12:00 AM	24																														
Sunday	12:00 AM	12:00 AM	24																														
		0	Days Closed per Year																														
		0.00	Weeks Closed per Year																														
		Weeks/Year	52.14																														
		Hours/Week	168.0																														
		Calculated Hours/Year	8,760.0																														

Item 2	Description	Rebate: \$0.10 /kWh																															
	Annual kWh Savings																																
	kW Savings																																
	Annual Oper. Hrs																																
	Measure Cost																																
	Enter Operating Schedule and Days Closed Below																																
	<table border="1"> <thead> <tr> <th>Day of Week</th> <th>Start Time</th> <th>End Time</th> <th>Total Hours</th> </tr> </thead> <tbody> <tr><td>Monday</td><td></td><td></td><td>0</td></tr> <tr><td>Tuesday</td><td></td><td></td><td>0</td></tr> <tr><td>Wednesday</td><td></td><td></td><td>0</td></tr> <tr><td>Thursday</td><td></td><td></td><td>0</td></tr> <tr><td>Friday</td><td></td><td></td><td>0</td></tr> <tr><td>Saturday</td><td></td><td></td><td>0</td></tr> <tr><td>Sunday</td><td></td><td></td><td>0</td></tr> </tbody> </table>			Day of Week	Start Time	End Time	Total Hours	Monday			0	Tuesday			0	Wednesday			0	Thursday			0	Friday			0	Saturday			0	Sunday	
Day of Week	Start Time	End Time	Total Hours																														
Monday			0																														
Tuesday			0																														
Wednesday			0																														
Thursday			0																														
Friday			0																														
Saturday			0																														
Sunday			0																														
			Days Closed per Year																														
		0.00	Weeks Closed per Year																														
		Weeks/Year	0.00																														
		Hours/Week	0.0																														
		Calculated Hours/Year	0.0																														

Project Completion Date
Oct-31-2012

Page 1 Custom Rebate SubTotal
Custom Rebate Total

\$1,469,577.60
\$1,469,577.60

Custom Incentive Worksheet

TEP Large Business Program

Please attach supporting documents as described in the specifications.

Item 1		Description		Rebate: \$0.10 /kWh	
				Annual kWh Savings	Rebate Subtotal
				1,286,976	
				kW Savings	
				149.0	
				Annual Oper. Hrs	
				8,640	
				Measure Cost	\$128,697.60
				\$830,880.00	
Enter Operating Schedule and Days Closed Below					
Day of Week	Start Time	End Time	Total Hours		Days Closed per Year
Monday			0		
Tuesday			0	0.00	Weeks Closed per Year
Wednesday			0		
Thursday			0		Weeks/Year 0.00
Friday			0		Hours/Week 0.0
Saturday			0		Calculated Hours/Year 0.0
Sunday			0		

Item 2		Description		Rebate: \$0.10 /kWh	
				Annual kWh Savings	Rebate Subtotal
				kW Savings	
				Annual Oper. Hrs	
				Measure Cost	
Enter Operating Schedule and Days Closed Below					
Day of Week	Start Time	End Time	Total Hours		Days Closed per Year
Monday			0		
Tuesday			0	0.00	Weeks Closed per Year
Wednesday			0		
Thursday			0		Weeks/Year 0.00
Friday			0		Hours/Week 0.0
Saturday			0		Calculated Hours/Year 0.0
Sunday			0		

Project Completion Date

Page 1 Custom Rebate SubTotal
Custom Rebate Total

\$128,697.60
\$128,697.60

TEP Large Business Program - Rebate Application

TEP Application #

Pre-Notification

☒

Submission Date:

09/13/13

Final Application

☐

Submission Date:

Customer Information

Name of Project	FCX Sierrita Overland Conveyor Upgrade			
Name of Organization	Freeport McMoRan		Business Type (Click on the cell below and select building type) <input type="checkbox"/> Other Industrial <input type="checkbox"/> College / University <input type="checkbox"/> Grocery <input type="checkbox"/> Hotel / Motel <input type="checkbox"/> K-12 School <input type="checkbox"/> Medical <input type="checkbox"/> Miscellaneous Office <input type="checkbox"/> Other Industrial <input type="checkbox"/> Process Industrial <input type="checkbox"/> Restaurant <input type="checkbox"/> Retail <input type="checkbox"/> Warehouse	
Taxpayer ID Number	841019004	Tax Status (Click on the cell to the right and select tax status) <input type="checkbox"/> Corporation, Tax-Exempt, Other		Corporation (incl. INC, LLC, PC, etc.) <input type="checkbox"/>
Name as it appears on your TEP bill	Freeport- McMoran Sierrita Inc.			
TEP Account Number	02326900092			
Name of Contact Person at Organization	Jesus "Manny" Murguia	Telephone #		520-393-2047
Title	Reliability Engineer	Fax #		
Email Address	jesus_murguia@fmi.com			
Address where Measures Installed	6200 W. Duval Mine Rd	Est. Square Footage		
City, State, Zip (Measures Installed)	Green Valley, Arizona 85622			
Mailing Address	6200 W. Duval Mine Rd PO Box 527			
City, State, Zip (Mailing Address)	Green Valley, Arizona 85622			

Contractor Information

Company Name			Building Age (Click on the cell below and select building age) <input type="checkbox"/> Pre-1970 <input type="checkbox"/> 1970 - 1990 <input type="checkbox"/> 1990 - 2000 <input type="checkbox"/> 2000 - present
Contact Person			
Mailing Address			Building Age (Click on the cell below and select building age) <input type="checkbox"/> Pre-1970 <input type="checkbox"/> 1970 - 1990 <input type="checkbox"/> 1990 - 2000 <input type="checkbox"/> 2000 - present
City, State, Zip			
Email Address		Contractor Phone #	
		Contractor Fax #	

Rebate Check Information

Trade Ally Name	Trade Ally Signature		
Issue Rebate Check to: (check only one)	<input checked="" type="checkbox"/> Send to Customer listed above.	<input type="checkbox"/> I request that the rebate check be issued to the third party indicated below.	HVAC Type (Click on the cell below and select HVAC cooling system) <input type="checkbox"/> Chiller <input type="checkbox"/> Package Units <input type="checkbox"/> Combination
Customer Signature (Required for third party payment)			
Name of Third Party (Organization receiving check)			
Name of Contact Person at Third Party			
Title			HVAC Type (Click on the cell below and select HVAC cooling system) <input type="checkbox"/> Chiller <input type="checkbox"/> Package Units <input type="checkbox"/> Combination
Third Party Mailing Address			
Email Address			
Third Party Taxpayer ID Number			
	Tax Status (Click on the cell to the right and select tax status) <input type="checkbox"/> Corporation, Exempt, Individual, Partnership		